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March 1, 2013 Legislative Testimony

From: Melanie Yanus

Clinton Tax Collector

## 1. <u>SB965</u>

## An Act Concerning Changes to Municipal Revenue Collection Statutes

Two years ago the Tax Collectors' Legislative Committee formed a subcommittee to review, update and clarify our statutes. After 18 months of committee meetings and many drafts of the proposed changes we are presenting them to you under Raised Bill No. 965. We received assistance from Attorney Adam Cohen, our State Tax Collectors' Association Board Members and many other members of our state association. We all sincerely hope that you will vote to approve this legislation. Passage of this bill will assist us in doing our job in a more effective and efficient manner.

# 2. Committee Bill No. 5098

An Act Requiring The Posting of Assigned Municipal Liens

It is transparent to all who want to view the liens assigned. Public records are just that..public. Requiring a second posting outside the town clerk's office is redundant.

#### 3. Committee Bill No. 5102

An Act Establishing a State-Wide Mill Rate

This is administratively unworkable and wrong. It is complex and convoluted. Municipalities receive information from the Department of Motor Vehicles. You want to add the Office of Policy and Management, the Commissioner of Revenue Services and the State Comptroller to the mix. We have issues with (one agency) the DMV getting data to our Assessors ...which hopefully will be resolved once the new computer system is up and running. I cannot imagine working with all the other agencies. The registering of motor vehicles in Clinton due to a lower mill rate has not happened in a long time. In fact, it was Waterbury residents that were doing that in Clinton back in the early 90s'.

This legislation appears to address the "list" of assessed vehicles as a simple list once a year. We receive one list of vehicles registered on October 1st on December 1<sup>st</sup> or after. We have a supplemental motor vehicle list of vehicles that are registered after October 1st of a given year that we receive after September 1st of the next year.

Clinton taxpayers will not willingly want to pay more motor vehicle taxes should the median millrate be higher than Clinton's mill rate. The cities and towns need to find another way to increase their revenues.

#### 4. Committee Bill No. 5972

An Act Concerning The Look-Back Period for Property Tax Adjustments

The statutes as written, give taxpayers a **reasonable amount** of time to resolve any and all issues. Adjustments/corrections need to be dealt with in a timely manner. Most taxpayers have a hard enough time trying to find documentation from a month to six months ago. Also, most state and municipal departments only retain records for limited periods of time (ie. DMV plate return documentation). Insurance companies only keep records back several years regarding cancellation of insurance. In my experience, these records are kept less than three years.

## 5. Committee Bill No. 5173

An Act Concerning Interest Rates on Delinquent Municipal Bills

The rate of interest under Statute 12-145 is **compensatory** not punitive. Who, when and how would the State of Connecticut oversee the change in interest rates? More state administration costs to oversee this with legislative approval? I am sorry to say that there is an ever growing population that pay their tax bills late. Delinquency is not all due to the poor economy. Many taxpayers do not budget for nor prioritize making a tax payment in a timely manner.

This interest rate is not out of line. Look at the rates charged by credit card companies. Look at business interest rates of 5% or more per month when a bill is not paid ontime.

#### 6. Raise Bill No. 820

Interest rates must remain uniform for each municipality. Uniformity allows all taxpayers in Connecticut to be treated equally. Rate of 18% is fair.

As stated in my testimony for Committee Bill No. 5173. The rate of interest under Statute 12-145 is compensatory not punitive. Who, when and how would the State of Connecticut oversee the change in interest rates? More state administration costs to oversee this with legislative approval? I am sorry to say that there is an ever growing population that pay their tax bills late. Delinquency is not all due to the poor economy, many taxpayers do not budget for nor prioritize making a tax payment in a timely manner. This interest rate is not out of line. Look at the rates charged by credit card companies. Look at businesses' rate of 5% or more per month when a bill is not paid.

**Per diem** is not workable. Example: I quote the dollar amount due today for someone but I do not receive the payment for five days. How would I process this? The taxpayer will send in the incorrect amount. Thus, the reasoning to have a per month interest charge.

#### Rate of 12% and per diem- municipal option

Each and every municipality needs to have the same rate. We must treat everyone equally and with uniformity. Rate of 18% is fair.